



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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New Jersey Resident Indicted for Obstructing the Internal Revenue Laws and Theft of Public Money

A grand jury returned an indictment on March 23, which was unsealed yesterday, charging a Jersey City, New Jersey, resident with one count of corruptly endeavoring to obstruct the internal revenue laws and one count of theft of public money, announced Acting Assistant Attorney General Caroline D. Ciralo of the Justice Department's Tax Division.

According to the indictment, Derrick M. Madison, placed hundreds of telephone calls to the Internal Revenue Service's (IRS) electronic payment system in an attempt to fraudulently obtain credit for hundreds of millions of dollars in fictitious and fraudulent tax payments to the IRS he did not actually make. As part of his scheme, Madison received a U.S. Treasury check in the amount of \$170,681.22 based on one such fraudulent overpayment to the IRS, which he deposited into his bank account. Madison was arrested on the charges March 28.

If convicted, Madison faces a total statutory maximum sentence of three years in prison and a \$250,000 fine on the charge of obstructing the IRS and 10 years in prison and a \$250,000 fine on the theft of public money charge. A trial date has not yet been scheduled.

An indictment merely alleges that a crime has been committed, and a defendant is presumed innocent until proven guilty beyond a reasonable doubt.

Acting Assistant Attorney General Ciralo thanked special agents of IRS-Criminal Investigation, who investigated the case and Trial Attorneys Eric Powers and Jeffrey Bender of the Tax Division, who are prosecuting the case.

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